THE HON'BLE SRI JUSTICE L.NARASIMHA REDDY

W.P.No.25238 of 2005

Date:20.12.2005

J.K.Sharma.

--------PETITIONERS

The Andhra Pradesh Industrial Development Corporation Ltd.

---------RESPONDENT

ORDER:

The respondent herein issued a tender notice, dated 23.10.2005, inviting tenders for various items. Item No.6 relates to a property, where a Hospital, by name M/s.Siddhartha Health Care Limited, was functioning earlier. The respondent proposed to dispose of the equipment of the Hospital, and leasehold rights of the premises separately. The upset price for equipment and the upset lease amount were stipulated as Rs.25,00,000/- and Rs.20,00,000/- respectively.

The petitioner submitted his tender in respect of the leasehold rights. The tenders were opened on 14.11.2005. Only two tenders were received. The tender of the petitioner was for Rs.20,00,000/- and that of Mr. P.S.V Satyanarayana was for Rs.15,00,000/-. The respondent conducted negotiations on 18.11.2005 with the petitioner and Mr. Statyanaryana. The petitioner is stated to have withdrawn from the negotiations and the other tenderer enhanced his figure to Rs.29,00,000/-. He challenges the action of the respondent in not accepting his tender, which was higher than the other tender.

The Writ Petition came up for admission on 25.11.2005 and an interim order

was granted. The learned Standing Counsel was granted time to obtain instructions.

Sri K.Lakshmi Narasimha, the learned counsel for the petitioner submits that the action of the respondent in not awarding the contract to the petitioner is contrary to condition No.6 of the tender notice, dated 23.10.2005, inasmuch as the tender, which was for a sum of Rs.15,00,000/-, was entertained and processed.

The learned Standing Counsel for the respondent, on the other hand, submits that the petitioner has withdrawn his tender by submitting a letter, dated 18.11.2005, and after negotiating with the other tenderer, the leasehold rights were granted for a sum of Rs.29,00,000/-. The possession is also said to have been handed over.

Condition No.6 of the tender notice, dated 23.10.2005, on which heavy reliance is placed by the learned counsel for the petitioner, reads as under:

> *"(6) Offers more than or equal to the upset price for the total assets shall be considered."*

From this, it is evident that the respondent has decided not to accept any offer, which is less than the upset price. The upset price for the leasehold rights of the premises is Rs.20,00,000/-. It is true that the amount quoted by Mr.Satyanarayana in his tender was for Rs.15,00,000/-. The respondent undertook negotiations and therein, Mr.Satyanarayana enhanced his figure to Rs.29,00,000/-. The petitioner had withdrawn his tender, on the ground that the various clarifications sought for by him were not forthcoming.

The word 'Offer' is a compendious term, which takes in its fold, not only the figures quoted in the tender but also those quoted during the negotiation. It has emerged that the respondent has awarded the contract for a sum, which is substantially higher than the upset price and Clause (6) of the Notice has been

complied with. At any rate, the petitioner has chosen to withdraw his tender and was refunded the Earnest Money Deposit also. Further, he has not impleaded the successful tenderer. Therefore, this Court does not find any basis to grant any relief to the petitioner, particularly at this stage.

Hence, the Writ Petition is dismissed. There shall be no order as to costs.

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20.12.2005

Note: Issue C.C. in three days.

(B/o)

Jsu